LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **JUNE 8, 2004**, upon the application of **KCS RESOURCES**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone**, **Reservoir A**, **the Cotton Valley Formation**, **Reservoir A**, and **the Lower Cotton Valley Zone**, **Reservoir A**, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana.

- To authorize KCS Resources, Inc. to drill, complete and utilize one additional alternate unit well on HOSS RA SU33, CV RA SU33 and LCV RA SUD, and two additional alternate unit wells on HOSS RA SU34, CV RA SU34 and LCV RA SUC, at the exceptional location shown on the plats submitted with the application.
- 2. To authorize KCS Resources, Inc. to designate and utilize an existing well (the Elm Grove Plantation No. 8 Well) as an additional alternate unit well on CV RA SU34 at the location shown on the plat submitted with the application.
- 3. To authorize the unit allowable for these Hosston Zone, Reservoir A, Cotton Valley Formation, Reservoir A, and Lower Cotton Valley Zone, Reservoir A, units to be recovered from any of the wells located on the units, at the discretion of the operator.
- 4. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, initially identified as the Hosston Zone, was defined in Office of Conservation Order No. 361-A-1, effective on and after October 1, 1972, and was further defined, and identified as the Hosston Formation, Reservoir A, in Office of Conservation Order No. 361-A-5, effective May 25, 1977.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective on and after October 1, 1973, and was further defined by subsequent orders of the 361-B Series.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier Parish Louisiana, was fully defined in Office of Conservation Order No. 361-E, effective on and after July 16, 1996.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION - 14 - Page 2

ELM GROVE FIELD 04-584 thru 04-589

Baton Rouge, La 5/24/04;5/27/04 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.